

Elemental Altus to Acquire an Existing Royalty on Arizona Sonoran's Cactus Project from RCF Opportunities Fund L.P.

Vancouver, British Columbia--(Newsfile Corp. - August 23, 2023) - Elemental Altus Royalties Corp. (TSXV: ELE) (OTCQX: ELEMF) ("**Elemental Altus**" or "**the Company**") announces that it has entered into a binding agreement (the "**Agreement**") to acquire two existing royalties (the "**Royalties**") from RCF Opportunities Fund L.P. ("**RCF**") for consideration of US\$10,000,000 payable in common shares of Elemental Altus (the "**Acquisition**"). The Royalties include an aggregate 0.68% net smelter return ("**NSR**") royalty on the Cactus Project in Arizona ("**Cactus Project**"), which is 100% owned by Arizona Sonoran Copper Company Inc. ("**Arizona Sonoran**" or "**ASCU**"), and a 0.5% gross revenue royalty ("**GRR**") on the Nyanga Project in Gabon ("**Nyanga Project**"), which is 100% owned by Armada Metals Limited (ASX:AMM) ("**Armada**").

Acquisition Highlights

- 0.68% NSR¹ on the advanced development stage Cactus Project
 - Cactus is a brownfields porphyry copper project in Arizona which produced 200,000 short tons of copper between 1974 and 1984
 - Project is located on private land, has major development permits in place and is 100% owned by ASCU
 - Timely acquisition as a heap leach preliminary feasibility study ("**PFS**") is underway and is expected to substantially rescale the project with the addition of the adjacent Parks / Salyer deposit, targeting 45-50,000 short tons of annual copper production over an approximately 30 year life of mine
- 0.5% GRR on the exploration stage Nyanga Project, a highly-prospective magmatic nickel-copper sulphide project in Gabon with royalty coverage of 2,725km²
- Adds RCF as a new shareholder to Elemental Altus' high quality and institution-focused share register

Frederick Bell, CEO of Elemental Altus, commented:

"We are pleased to continue to enhance our portfolio through the additions of the Cactus and Nyanga royalties and also welcome RCF, a highly recognised and credible mining investor, to our share register. The Cactus royalty substantially bolsters our advanced development pipeline with a uniquely de-risked copper asset in a premier jurisdiction. Operator Arizona Sonoran has demonstrated an outstanding rate of progress since acquiring the mine, and we eagerly anticipate the upcoming PFS expected to showcase the potential scale of the operation. In addition, the Nyanga royalty offers exposure to district scale discovery opportunities led by a highly-experienced exploration team."

Terms of the Acquisition

Elemental Altus has agreed to pay consideration of US\$10,000,000 for the Royalties through the issuance of 11,111,111 Elemental Altus common shares at a price of C\$1.20 per share. The shares issued to RCF will represent approximately 5.7% of the Company's enlarged share capital.

Closing is expected to occur on or before October 31, 2023, and is subject to certain conditions including the approval of the TSX Venture Exchange ("**TSX-V**").

Cactus Project Overview

The Cactus Project, formerly named Sacaton, is 100% owned by Arizona Sonoran. The project is situated on private land in Pinal County, Arizona, the US's leading copper producing state and 7th ranked mining jurisdiction globally, per the Fraser Institute's 2022 Investment Attractiveness Index.

The Cactus Project has an Indicated Resource of 151.8 million short tons @ 0.531% total copper ('CuT') for 806,000 short tons of contained copper, and an Inferred Resource of 449.9 million short tons @ 0.544% CuT for 2.45Mt of contained copper. Of the Inferred Resource, 143.6 million tons @ 1.015% CuT for 1.46Mt of contained copper is from the Parks/Salyer deposit².

A PFS is targeted for release by operator ASCU by the end of Q1 2024, incorporating the Parks/Salyer deposit and the resumption of open pit mining at Cactus.

The Cactus Project previously produced from the Sacaton open pit, which extends to a depth of 317m and produced 38.1 million short tons of ore, recovering 200,000 short tons of copper, 27,455 ounces of gold and 759,000 ounces of silver.

Elemental Altus' royalty covers the majority of the combined Cactus project area and Resource, excluding the 0.64km² Bronco Creek tenement estimated to cover approximately 25% of the Parks/Salyer Resource and 10-15% of the total Resource.

For more information on the Cactus Project, please visit <https://arizonasonoran.com/>.

Nyanga Project Overview

The Nyanga Project is 100% owned by Armada. The project is located in the Nyanga Province of southern Gabon. The project, consisting of two expansive tenements, extends for more than 75km of strike length and covers a land package of 2,725km².

The project hosts multiple mafic-ultramafic intrusions which can host large scale nickel-copper sulphide deposits, principally along two significant trends, the Libonga-Matchiti Trend (LMT) and the Ngongo-Yoyo Trend (NYT). Armada Metals have commenced geophysical testing of the licence areas to generate targets across the whole belt following a successful Stage 1 diamond drilling program during 2022.

Armada boasts a management team and board with a strong track record of success exploring in Africa. Key members of the exploration staff were part of the Ivanhoe Mines exploration team awarded the 2015 PDAC Thayer Lindsley Award for an International Mineral Discovery at Kamoia, which has a current pre-development Indicated Resource of 38Mt Cu at 2.74% Cu³.

For more information on the Nyanga Project, please visit <https://armadametals.com.au/>.

On behalf of Elemental Altus Royalties Corp.

Frederick Bell

CEO and Director

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Elemental Altus is a proud member of Discovery Group. For more information please visit: www.discoverygroup.ca or contact 604-653-9464.

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About Elemental Altus Royalties Corp.

Elemental Altus is an income generating precious metals royalty company with 10 producing royalties and a diversified portfolio of pre-production and discovery stage assets. The Company is focused on acquiring uncapped royalties and streams over producing, or near-producing, mines operated by established counterparties, as well as generating royalties on new discoveries.

Notes

¹ 0.68% NSR royalty on the Cactus Project has an associated buydown right, allowing the operator the option to repurchase 0.14% for consideration of US\$1,913,333. The buydown right may be exercised at any time prior to July 10, 2025, after which the right will expire.

² Technical Report titled "NI 43-101-Compliant Mineral Resource Estimate and Technical Report, Parks/Salyer" effective September 26, 2022 and dated November 10, 2022, prepared by Stantec Consulting Services and posted under Arizona Sonoran Copper Company's profile at www.sedarplus.ca.

³ Please refer to Ivanhoe Mines website for more detail. <https://ivanhoemines.com/projects/kamba-kakula-project/>.

Qualified Person

Richard Evans, FAusIMM, is Senior Vice President Technical for Elemental Altus, and a qualified person under National Instrument 43-101 - Standards of Disclosure for Mineral Projects, has reviewed and approved the scientific and technical disclosure contained in this press release.

Neither the TSX-V nor its Regulation Service Provider (as that term is defined in the policies of the TSX-V) accepts responsibility for the adequacy or accuracy of this press release.

Cautionary note regarding forward-looking statements

This news release contains certain "forward looking statements" and certain "forward-looking information" as defined under applicable Canadian securities laws. Forward-looking statements and information can generally be identified by the use of forward-looking terminology such as "may", "will", "should", "expect", "intend", "estimate", "anticipate", "believe", "continue", "plans" or similar terminology.

Forward-looking statements and information include, but are not limited to, the ability to complete the Acquisition and the timing thereof, resource estimates at the Cactus Project and the timing for the PFS, the prospectivity of the Nyanga Project, the future growth, development and focus of the Company, and the acquisition of new royalties and streams. Forward-looking statements and information are based on forecasts of future results, estimates of amounts not yet determinable and assumptions that, while believed by management to be reasonable, are inherently subject to significant business, economic and competitive uncertainties and contingencies.

Forward-looking statements and information are subject to various known and unknown risks and uncertainties, many of which are beyond the ability of Elemental Altus to control or predict, that may cause Elemental Altus' actual results, performance or achievements to be materially different from those expressed or implied thereby, and are developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to: the impact of general business and economic conditions, the absence of control over the mining operations from which Elemental Altus will receive royalties, risks related to international operations, government relations and environmental regulation, the inherent risks involved in the exploration and development of mineral properties; the uncertainties involved in interpreting exploration data; the potential for delays in exploration or development activities; the geology, grade and continuity of mineral deposits; the impact of the COVID-19 pandemic; the possibility that future exploration, development or mining results will not be consistent with Elemental Altus' expectations; accidents, equipment breakdowns, title matters, labour disputes or other unanticipated difficulties or interruptions in operations; fluctuating metal prices; unanticipated costs and expenses; uncertainties relating to the availability and costs of financing needed in the future; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; currency fluctuations; regulatory restrictions, including environmental regulatory restrictions; liability, competition, loss of key employees and other related risks and uncertainties. For a discussion of important factors which could cause actual results to differ from forward-looking statements, refer to the annual information form of the Company for the year ended December 31, 2022. Elemental Altus undertakes no obligation to update forward-looking statements and information except as required by applicable law. Such forward-looking statements and information represents management's best judgment based on information currently available. No forward-looking statement or information can be guaranteed, and actual future results may vary materially. Accordingly, readers are advised not to place undue reliance on forward-looking statements or information.

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